

EXHIBIT B

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

IN RE: : Case No.:
: 12-12020(MG)
RESIDENTIAL CAPITAL, LLC, et : (Pending in
al. : the Southern
: District of
New York)
Chapter 11

- - -

DEPOSITION UNDER ORAL EXAMINATION OF
LOUISE CARTER

Mount Laurel, New Jersey
Thursday, August 7, 2014

- - -

REPORTED BY: JENNIFER MAUTE, CCR

- - -

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1 extras. Staircases, millwork, so I don't know
2 where this figure came from.

3 Q. Okay.

4 A. But, yeah, they added that after
5 settlement. I know that they did the third floor
6 and the basement after. I think the tax assessment
7 was high, also.

8 Q. Well, hold that thought for a minute.

9 - - -

10 (Whereupon, documents were marked as
11 Exhibit Carter-6 for identification.)

12 - - -

13 BY MS. HAGER:

14 Q. So showing you what was marked as
15 Carter-6. I'll represent that this is a
16 compilation of various MLS print screens showing
17 the listing prices at various points in time for
18 Matlack Drive, combined with some status change
19 forms that appear to be signed by you. So if we
20 just look at the first page. Is that your
21 signature at the bottom?

22 A. Yes.

23 Q. Okay. And what do you use this kind of
24 a form for, in general?

25 A. To make changes.

1 Q. To what?

2 A. To the listing.

3 Q. So if you've got a property listed and
4 you want to change the price for some reason, the
5 listing agent would fill out this kind of a form?

6 A. Yes.

7 Q. And what do you do with it, give it to
8 somebody?

9 A. Put it in the file.

10 Q. Put it in the file.

11 How does somebody know to change it on
12 the MLS?

13 A. The secretary does it.

14 Q. Okay. So would you fill this out and
15 hand it to a secretary?

16 A. Yes.

17 Q. Okay. All right. So just looking at
18 the one that's on top, it has the property address
19 at 817 Matlack Drive. And it says, extend
20 expiration date to 9/1/09. And then, in
21 parenthesis, EXP 3/31. What do those dates mean?

22 A. It expires on 3/31.

23 Q. What expires?

24 A. The listing.

25 Q. Okay. So the listing would expire on

1 3/31. Is this your direction to extend it to
2 September 1st?

3 A. Yes.

4 Q. And how long are you able to extend a
5 listing for?

6 A. With the seller's permission, as long as
7 he wants me to.

8 Q. Okay. And then when you say that it
9 expired on March 31st, what derives when it
10 expires?

11 A. The length that we put in the computer.
12 Whether we extend it for three months, or four
13 months, or five months, or six months.

14 Q. So when you first get a listing that
15 comes in, is there a standard amount of time that
16 it remains listed?

17 A. We usually take a listing for at least
18 six months.

19 Q. Okay. So if we turn to the second page.
20 Can you tell me what we are looking at here, the
21 second page of Carter-6?

22 A. Okay. That must be -- that must be when
23 it was pending for a lease purchase.

24 Q. Well, what is this document that we're
25 looking at? Let's start there.

1 A. The Trend MLS sheet.

2 Q. Is that what it's called?

3 A. Yes.

4 Q. Okay. And is this a printout from the
5 computer?

6 A. Yes.

7 Q. Okay. And what is MLS?

8 A. Multiple Listing Service.

9 Q. Okay. And that's where an agent or
10 broker puts all of the information concerning a
11 particular property; is that right?

12 A. Right.

13 Q. And so if an agent wants to pull
14 comparable sales, they would go to the MLS; right?

15 A. Yes.

16 Q. Or if an agent wants to see how much a
17 different property is listed for, they would go to
18 the MLS --

19 A. Yes.

20 Q. -- right?

21 Wait for me to finish my question
22 before you answer.

23 So is there a date on this document
24 that shows when this property was listed for this
25 particular price?

1 A. This is pending. Let's see, we
2 stayed -- for that price, I think, maybe, March
3 30th, that date.

4 Q. Are you looking at the very bottom?

5 A. I'm not sure.

6 Q. Where it says, Created: 3/30/09, at 3:15
7 p.m. Is that where you are?

8 A. I think OMD means listing market date.

9 Q. Well, wait. Can we stay at the bottom
10 there? It says, Created: 3/30/09, at 3:15 p.m. Is
11 that the date that this document was printed?

12 A. Where do you see that?

13 Q. At the very bottom.

14 A. No. Yeah, that's when this document was
15 printed, I believe.

16 Q. That is what I'm asking.

17 A. Yes.

18 Q. Okay. So just so we're clear on the
19 record. The date at the very bottom where it says,
20 Created: 3/30/09, at 3:15 p.m., that's the date
21 that somebody printed this document; is that right?

22 A. I believe so.

23 Q. Okay. And this is the MLS listing for
24 817 Matlack Drive in Moorestown, the property we
25 have been talking about; right?

1 A. Right.

2 Q. Okay. And in the top right-hand corner,
3 there is a dollar amount. It's \$1,895,000.

4 A. Yes.

5 Q. Is that the amount that this property
6 was listed for at that time in March of '09?

7 A. That's how much it was at that time,
8 1,895,000.

9 Q. Right. So the answer to my question is,
10 yes?

11 A. But it's pending. It's not active. PND
12 means pending.

13 Q. Okay. In order for it to be pending at
14 that amount, wouldn't it have had to have been
15 listed at that amount?

16 A. Yes.

17 Q. Okay. So in March of 2009 this property
18 was listed for \$1,895,000; right?

19 A. Right.

20 Q. Okay. And then you're looking at where
21 it says PND. You say that means pending?

22 A. Yes.

23 Q. Okay. That means pending sale?

24 A. Yes.

25 Q. Okay. So when a property is pending

1 sale it remains on the MLS; is that right?

2 A. Not active.

3 Q. But the information as we're looking at
4 it on this sheet, which is reflect --

5 A. It's stays pending until it settles.

6 Q. Okay. You have to let me finish or it's
7 going to be messy.

8 So the information as we see it on
9 this sheet remains there even while a property is
10 pending?

11 A. Yes.

12 Q. Okay. And based on what you showed me
13 as Carter-2, which is the MLS for 816 Loveland
14 Road, it stays on, even after it's settled, because
15 this is marked --

16 A. The set will stay on forever.

17 Q. It just changes the designation because
18 at the top of Carter-2, instead of PND it shows
19 STL; right?

20 A. Because it settled.

21 Q. I'm just trying to clarify for the
22 record when we're looking at it later, that that's
23 what that means, STL?

24 A. Yes.

25 Q. Okay. So if you can turn the page. Now

1 we're on Page 3 of Carter-6. And we see another
2 status change form. Is that your signature at the
3 bottom?

4 A. Yes.

5 Q. Is that your handwriting, where it has
6 the property address and the MLS number and the
7 price change to?

8 A. No.

9 Q. Who fills out that information?

10 A. My secretary.

11 Q. Okay. And would you have given her the
12 information?

13 A. No. She gives it to me.

14 Q. Well, is she telling you to change the
15 price?

16 A. No. She's telling me -- she fills it
17 out. I may have told her to change the price and
18 so she filled it out and gave it to me to sign.

19 Q. Okay. And you wouldn't have signed it
20 if you didn't want to change the price?

21 A. Right.

22 Q. And so, here it's not dated, this form,
23 but it says price changed to \$1,780,000; right?

24 A. Right.

25 Q. Okay. So then if we turn the page. Now

1 we're on Page 4 of Carter-6. Here's another MLS
2 listing and it's for 817 Matlack Drive. And at the
3 very bottom, where it says created, the date is
4 11/14/09, at 3:15 p.m. Would you agree that that's
5 the date that someone printed out this form?

6 A. Yes.

7 Q. Okay. So on that date the listing price
8 was \$1,780,000; right?

9 A. Yes.

10 Q. Okay. And that is in line with the
11 third page of this document that we just looked at,
12 where you indicated that the price should be
13 changed to 1.78; right?

14 A. Right.

15 Q. And, now, if you turn the page again, I
16 think this is essentially the same screen shot but
17 I included it because the time that it was printed
18 is slightly different. At the very bottom it says,
19 Created: November 14th, 2009, at 3:17 p.m. So
20 it's just two minutes after the page prior was
21 created. But the listing amount remains the same.
22 It's still \$1,780,000. So would you agree that
23 that was the listing price at that date and time?

24 A. Yes. That just means someone printed it
25 out at that time.

1 Q. Right. That's when someone printed it
2 out, but the information wouldn't be on there if
3 that wasn't the listing price at that time; right?

4 A. Right.

5 Q. All right. So the next page is just
6 some pictures of the home. If we go on to the next
7 page it's another status change form. Is that your
8 signature at the bottom?

9 A. Yes.

10 Q. Is that your handwriting?

11 A. Yes.

12 Q. Is that your handwriting where it has
13 the MLS number?

14 A. No.

15 Q. How about the property address?

16 A. Which?

17 Q. The property address?

18 A. That's not mine.

19 Q. Okay. How about where it says extend
20 expiration to?

21 A. Expiration is not mine. Extend is mine.

22 Q. Okay. So the date of June 30th, 2010 is
23 your handwriting?

24 A. Yes.

25 Q. Okay. So this status change form

1 indicates that the listing is set to expire on
2 February 4th, but that it should be extended to
3 June 30th, 2010; is that right?

4 A. Right.

5 Q. Okay. So if we turn the page again,
6 here's another MLS printout. And at the very
7 bottom it says the date created is May 7th, 2010,
8 at 4:56 p.m. Do you agree with that?

9 A. I'm looking for it.

10 Q. Okay.

11 A. Yes.

12 Q. Okay. And on that date and at that time
13 the property was listed at \$1,690,000; is that
14 correct?

15 A. Correct.

16 Q. And at the top of this page there's some
17 handwriting. Is that your handwriting?

18 A. Yes.

19 Q. What does that say?

20 A. Please reduce 817 Matlack to 1690.

21 Q. Okay. And so who was that note directed
22 to?

23 A. Becky.

24 Q. Okay. So why did you do it that way
25 instead of using a status change form?

1 A. You can do it any way.

2 Q. I'm sorry?

3 A. Because I guess Frank told me to reduce
4 it, so I reduced it.

5 Q. I mean, why didn't you use the status
6 change form?

7 A. Well, she would have given it to me to
8 fill out, so it would have to be somewhere. She
9 wouldn't have just done it without a status change
10 form.

11 Q. So Becky is your secretary or was your
12 secretary?

13 A. Yes.

14 Q. And so this MLS listing that we're
15 looking at -- well, let me strike that.

16 When you indicate to Becky or someone
17 else that a listing price or some information on
18 the MLS should be changed, does the secretary go in
19 and manually change it herself?

20 A. Yes.

21 Q. Okay. And is this MLS that we're
22 looking at here a printout that Becky would have
23 made after following your instructions to change
24 the price to reduce the price to 1.69?

25 A. Yes.

1 Q. Okay. So if you turn the page there's
2 another MLS printout from June 15th, 2010 at 10:20
3 a.m. Do you see that?

4 A. Yes.

5 Q. Okay. And the listing price that day
6 and time was \$1,595,000; is that right?

7 A. Right.

8 Q. Okay. So why was it reduced again?

9 A. I'm not sure. Whatever the seller told
10 me to do, I did.

11 Q. Okay. The next page is, again, pictures
12 of the property. If you flip the page again, we
13 have another status change form. Is that your
14 signature on the bottom?

15 A. Yes.

16 Q. And did you fill out the extend
17 expiration to blank?

18 A. Yes.

19 Q. So this was your direction?

20 A. Yes.

21 Q. To extend the listing date from June
22 30th until December 31st, 2010; right?

23 A. Right.

24 Q. Okay. And then if you turn the page,
25 we're at another MLS listing. Similar to the last

1 one we looked at, the listing price is \$1,595,000
2 and this form was created on June 28th, 2010, at
3 11:00 a.m. Would you agree?

4 A. Yes.

5 Q. So that the price, the listing price on
6 June 28th, 2010 was 1.595; right?

7 A. Right.

8 Q. Okay. So what we have just looked at as
9 Carter-6, essentially, shows, doesn't it, that the
10 price -- the listing price was continuously reduced
11 throughout 2009 and 2010, would you agree?

12 A. Yes.

13 Q. Okay.

14 A. There was someone in there during 2009
15 and we had to go to court to get them out.

16 Q. How much would your commission have been
17 if this had closed in -- if the Jacobs deal had
18 closed?

19 A. If Jacobs had closed? I don't even
20 remember what it was.

21 Q. Their agreement was for 2,040,000?

22 A. If Jacobs had closed, it might have been
23 -- our office commission may have been
24 two-and-a-half percent.

25 MS. HAGER: If we can have that marked

1 How about at the very top, it's an
2 e-mail with the subject line, foyer picture. It's
3 dated May 7th, 2008. And it's from, it appears to
4 be Mr. Reed, FrankReedNJ to LMcards. Is LMcards
5 your e-mail address?

6 A. Yes.

7 Q. So was this an -- originally, was this
8 an e-mail from Mr. Reed to you?

9 A. From who?

10 Q. Mr. Reed to you?

11 A. I'm sure it was. I have a photographer
12 that takes pictures, but he probably took the
13 picture of the foyer and wanted that in so that's
14 probably what happened.

15 Q. He wanted that in the MLS?

16 A. He wanted it in the MLS, yes.

17 - - -

18 (Whereupon, a document was marked as
19 Exhibit Carter-8 for identification.)

20 - - -

21 BY MS. HAGER:

22 Q. The court reporter just marked another
23 document as Carter-8. I'm showing you that
24 document. Do you recognize that document?

25 A. It's what's in the computer as public

1 records for the listing.

2 Q. So is this also considered an MLS?

3 A. No.

4 Q. Okay. How is this different?

5 A. This is public records. This is public
6 records and it gives you all the information. We
7 can access it through MLS.

8 Q. So if you look -- well, for
9 clarification on the record, the document concerns
10 817 Matlack Drive; right?

11 A. Right.

12 Q. Okay. If we look towards the bottom,
13 kind of on the right-hand side, it has MLS history
14 information. And it says, status date 6/26/06.
15 Price, \$1,571,619. Was that the sales price of the
16 property when Mr. Reed purchased the home?

17 A. That was the settled price without the
18 deed price. That was the deed price.

19 Q. The deed price, okay.

20 And then the information that's listed
21 right below that, May 9th, 2008, it shows a price
22 of 2,040,000. Where would that number have come
23 from?

24 A. That was from -- it was withdrawn. That
25 probably was after the contract for 2 million, 40,

1 when we withdrew the listing.

2 Q. How do you know that that was withdrawn?

3 A. Because WR.

4 Q. Means withdraw; is that right?

5 A. Yes.

6 Q. Okay. And so then below that, the
7 status date of September 25th, 2008, the price is
8 \$1,895,000. Where would that number have come
9 from?

10 A. An active listing. It would have come
11 from an MLS sheet.

12 Q. So the PND next to that, does that mean
13 pending?

14 A. Yes.

15 Q. So was the 1.895 a pending sale?

16 A. No. That's the list sale.

17 Q. What do you mean?

18 A. When you have pending, it never tells
19 you what it's sold for. That is just the list
20 price.

21 Q. Okay. And if we go to the very end of
22 the second page it shows that the form was
23 generated on August 4th, 2009, at 12:40 p.m. Would
24 you agree?

25 A. Yes.

1 page, at the bottom left-hand corner, does it
2 indicate what the fair market value of the property
3 is?

4 A. Really fast, I don't see.

5 Q. Page 2, the very bottom. I'm sorry, I
6 guess it's Page 3 of our document. Third page.

7 A. Next one?

8 Q. Yeah. And then the very bottom corner,
9 left-hand side.

10 A. 1,950.

11 Q. Okay. So Mr. Jones appraised the
12 property at \$1,950,000 as of December 24th, 2007;
13 right?

14 A. I think he missed some square footage.
15 I think that was an issue.

16 Q. Well, I'm just asking about this
17 document.

18 A. That's what he said.

19 Q. That's what he says.

20 And as a result of him appraising it
21 at 1,950,000, did the Jacobs indicate that they
22 would not close on the sale?

23 A. That must have been it, because I see
24 that there was a rider, additional contract
25 provisions that said it had to appraise. That's on

1 the last page of the agreement.

2 Q. So going back to your letter, which was
3 Carter-3. This was your July 2nd, 2012 letter,
4 where you said that prior to GMAC's foreclosure
5 action, Mr. Reed had a contract for sale on his
6 home for the amount of \$2,040,000. However, this
7 sale did not close. Do you remember writing that?

8 A. Yes.

9 Q. Okay. Do you think it would have been
10 relevant to put in that letter the reason that the
11 sale didn't close?

12 A. You know, until you gave this to me, I
13 didn't even remember. But, also, I think it's
14 relevant to say that the appraisal missed a lot of
15 square footage.

16 Q. Well, in that regard, I asked you
17 previously if you were aware of some litigation
18 between Mr. Jacobs --

19 A. I didn't remember.

20 Q. Between Mr. and Mrs. Jacobs and Mr. and
21 Mrs. Reed. Do you now recall that litigation?

22 A. I really don't. I'm sorry.

23 Q. Okay. If I told you that Mr. and Mrs.
24 Reed refused to give the Jacobs back their deposit,
25 would that ring any bells?

1 A. I don't -- I don't remember. I'm sorry.
2 I really don't remember.

3 Q. In your letter, July 2nd letter, does
4 your failure to explain the reason that the
5 \$2,040,000 deal didn't close, perhaps, give a false
6 impression as to why it didn't close?

7 A. I don't think so because it wasn't
8 mentioned at all.

9 Q. Well, the contract with the Jacobs
10 didn't close because the house didn't appraise.
11 Not because of the foreclosure actions; isn't that
12 right?

13 A. At that time, yes.

14 Q. What do you mean "at that time"?

15 A. I mean, yes. It wasn't a foreclosure
16 action, I don't think, at that time. I don't know.

17 Q. So to the extent that, perhaps, there
18 could be any confusion from that particular
19 sentence in your letter, would you agree that
20 GMAC's foreclosure did not have anything to do with
21 the failure of the \$2,040,000 deal to close?

22 A. I don't know. I don't know.

23 Q. Why don't you know?

24 A. It was prior to that he had a contract
25 for the 2,040,000. And then after that, it was

1 difficult to sell it because of their foreclosure.

2 Q. Right. That's further in time --

3 A. Right.

4 Q. -- that we're not talking about. All
5 I'm concerned about right at this moment is the
6 Jacobs' deal. Because to me, it looks like the
7 Jacobs deal didn't close because it didn't appraise
8 and people argued over the appraisal --

9 A. By \$50,000 I --

10 Q. 90,000.

11 A. 90 was it? I don't --

12 Q. So they argued over the appraisal and
13 whether the deposit should be returned, but the
14 reality is the Jacobs didn't close because they
15 didn't like the appraisal and not because Mr. Reed
16 was in foreclosure; right?

17 A. Not because he was in foreclosure at
18 that time. I think they had other reasons, but
19 that's the reason they used.

20 Q. They did not use as one of their reasons
21 that the house was in foreclosure; right?

22 A. I don't think so.

23 Q. Okay. All right. Do you remember Mark
24 Weaver?

25 A. Mark Weaver. Wait a minute, Mark

1 Q. Did you think it would sell faster at
2 the lower price?

3 A. I did.

4 - - -

5 (Whereupon, a Proposal to Purchase was
6 marked as Exhibit Carter-18 for identification.)

7 - - -

8 BY MS. HAGER:

9 Q. I'm showing you what has been marked as
10 Carter-18. Have you seen that document before
11 today?

12 A. Yes.

13 Q. What is that document?

14 A. An offer to purchase from Naoji.

15 Q. Well, Naoji is the listing agent -- or,
16 excuse me, the buyers' agent; right?

17 A. Yes.

18 Q. And who are the buyers?

19 A. Frank and Gina Roccisano.

20 Q. We kind of talked about them a little
21 earlier on I think. This offer is dated what date?

22 A. March 20th, 2010.

23 Q. And what did they offer?

24 A. A million, three.

25 Q. Did this turn into an Agreement of Sale?

1 A. No.

2 Q. Why not?

3 A. It was -- it was too low. It was not
4 accepted.

5 Q. Not accepted by the sellers?

6 A. By the seller.

7 Q. Okay.

8 A. And they would not come up.

9 MS. HAGER: Let's mark this Carter-19.

10 - - -

11 (Whereupon, Proposal to Purchase was
12 marked as Exhibit Carter-19 for identification.)

13 - - -

14 BY MS. HAGER:

15 Q. I'm showing you what has been marked as
16 Carter-19. Do you recognize that document?

17 A. I guess he did come up.

18 Q. Do you recognize that document?

19 A. I don't, but I do -- you know, I guess I
20 received it.

21 Q. What is this document?

22 A. It is an offer to purchase.

23 Q. Who is this from?

24 A. Naoji.

25 Q. Who are the buyers?

1 A. Right.

2 Q. So am I right that when the Roccisanos'
3 proposal from March 20th, 2010 came in, the listing
4 price was \$1,780,000 and they offered 1 million,
5 three?

6 A. Right.

7 Q. Okay. Then you dropped the price on May
8 7th, 2010 to 1,690,000 and then a month or so later
9 the Roccisanos came back and offered \$1,450,000 on
10 June 12th, 2010; is that right?

11 A. Right.

12 Q. Okay. So they came up in their offer,
13 didn't they?

14 A. Yes.

15 Q. And the listing came down in the
16 interim, didn't it?

17 A. Yes.

18 Q. So at the time the Roccisanos offered
19 1.45 million the property was listed at 1,690,000?

20 A. Yes.

21 Q. Given the price range that we're talking
22 about, do you think a \$240,000 difference is
23 insurmountable?

24 A. I think it's significant, considering
25 the reductions.

1 them.

2 Q. It was -- that was a year prior?

3 A. Um-hum.

4 Q. Is it possible there could have been
5 some decreases since then?

6 A. I may have. I might have told them what
7 it was on for at that time and, you know, like,
8 before and they wanted to get in it to see it.

9 Q. And if there were further decreases,
10 would that be in the office file?

11 A. Not if it was not officially on the
12 market. Didn't she say something about a pocket
13 listing?

14 Q. She did. What does that mean?

15 A. That means it's really not listed. It's
16 not on the market, but I could get them into the
17 house.

18 Q. Do you know when the property was taken
19 off the market?

20 A. I think there would be a record of it.

21 Q. Do you have a record of it?

22 A. We'll have to look and see. Where is
23 the document -- it makes it easier, with all the
24 list prices?

25 MS. HAGER: Let's go off the record for